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DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission

North American Electric Reliability Corporation

Docket No. RC11-6-010

Notice of Staff Review of Enforcement Programs

Commission staff coordinated with the staff of the North American Electric Reliability Corporation (NERC) to conduct the annual oversight of the Find, Fix, Track and Report (FFT) program, as outlined in the March 15, 2012 Order,<sup>1</sup> and the Compliance Exception (CE) Program, as proposed by NERC's September 18, 2015 annual Compliance Filing.<sup>2</sup> The Commission supported NERC's plan to coordinate with Commission staff to review the same sample of possible violations, thereby reducing the burden on the Regional Entities of providing evidence for two different samples. Furthermore, NERC and Commission staff agreed to exclude the Florida Reliability Coordinating Council Regional Entity (FRCC) from the survey, reducing the burden on FRCC as it continued toward a planned and approved termination of its responsibilities as a Regional Entity by June 30, 2019.

Commission staff reviewed a sample of 24 FFT possible violations out of 102 FFT possible violations posted by NERC between October 2018 and September 2019 and a sample of 38 CE instances of noncompliance out of 957 CE instances of noncompliance posted by NERC between October 2018 and September 2019.

Commission staff believes that the FFT and CE programs are meeting expectations, with one minor observation. Specifically, Commission staff identified one CE with an incomplete description of the noncompliance. Sampling for the 2019 program year indicated that the Regional Entities appropriately included all 62 of the sampled possible violations in the FFT and CE programs, and that all 62 of the sampled

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<sup>1</sup> *North American Electric Reliability Corp.*, 138 FERC ¶ 61,193, at P 73 (2012) (discussing Commission plans to survey a random sample of FFTs submitted each year to gather information on how the FFT program is working).

<sup>2</sup> *North American Electric Reliability Corp.*, Docket No. RC11-6-004, at 1 (Nov. 13, 2015) (delegated letter order) (stating "NERC's intention to combine the evaluation of Compliance Exceptions with the annual sampling of FFTs to further streamline oversight of the FFT and compliance exception programs").

FFTs and CEs have been adequately remediated. Commission staff's sample analysis indicated a decreasing number of documentation concerns, particularly with regard to the clear identification of root cause in the FFT and/or CE postings. Specifically, the identification of root cause in FFTs and CEs has improved significantly over the past five years, moving from 5 percent missing an identification of root cause to all now being included in this year's sampling. Commission staff subsequently reviewed the supporting information for these FFTs or CEs and agreed with the final risk determinations for all 62 samples. Commission staff also noted a significant improvement in the clear identification of factors affecting the risk prior to mitigation (such as potential and actual risk), and actual harm, which was identified in all samples. In addition, Commission staff noted that the FFTs and CEs sampled did not contain any material misrepresentations by the registered entities.

DATED: September 14, 2020.

**Kimberly D. Bose,**  
*Secretary.*